Union of Myanmar
Form (2) No ....
Dated ....
Myanmar Investment Commission

The Myanmar Investment Commission

PERMIT

Permit No. 297/97 *Date* 8th DECEMBER 1997

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MR. YEN WEN HWA

(b) Citizenship SINGAPOREAN

(c) Address 32 SENOKO ROAD, SINGAPORE 758104

(d) Name and address of principal organization NEW TOYO CORRUGATED PRODUCTS PTE LTD, SINGAPORE

(e) Place of incorporation SINGAPORE

(f) Type of business in which investment is to be made PRODUCTION OF CORRUGATED CARTON BOXES & CEMENT BAGS

(g) Place (s) at which investment is permitted PLOT NO. (B-3) MINGALADON INDUSTRIAL PARK

(h) Amount of foreign capital US $ 5.3 MILLION

(i) Period for bringing in foreign capital WITHIN (10) MONTHS FROM THE DATE OF ISSUANCE OF PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 5.3 MILLION

(k) Permitted duration of investment 50 YEARS

(l) Name of the economic organization to be formed in Myanmar NEW ASIA INDUSTRY (YANGON) PRIVATE LTD.

Chairma

The Myanmar Investme-

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
စာအမှတ် ....
နေ့စွဲ ....

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့် ပြု မိန့်

ခွင့်ပြုမိန့်အမှတ် ၂၉၇/၉၇ ၁၉၉၇ခုနှစ်၊ ဒီဇင်ဘာ လ ၈ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR YEN WEN HWA

(ခ) မည်သည့်နိုင်ငံသား SINGAPOREAN

(ဂ) နေရပ်လိပ်စာ 32 SENOKO ROAD, SINGAPORE 758104

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ NEW TOYO CORRUGATED PRODUCTS PTE LTD., SINGAPORE

(င) ဖွဲ့စည်းရာအရပ် SINGAPORE

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား ကတ္တူ စက္ကူပုံးများနှင့် ဘိလပ်မြေအိတ်များ ထုတ်လုပ်ခြင်း လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ် (ဘိ၃) မင်္ဂလာဒုံစက်မှုဇုန်

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၅.၃ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိပြီး (၁၀) လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၅.၃ သန်းနှင့်သီးမျှသောမြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၅၀ နှစ်

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် NEW ASIA INDUSTRY (YANGON) PRIVATE LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/432/97(1524)
Dated : 8th December 1997

Tel : 272219, 272855
Fax : 095-01-282101

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Production of Currugated Carton Boxes and Cement Bags" under the name of "New Asia Industry (Yangon) Private Limited".**

Reference: Ministry of Construction Letter No. 29/Khwe-3/97 (Si 2797) dated 5-11-97.

1. The Myanmar Investment Commission, at its meeting 18/97 held on 7-11-97 had reviewed the proposal for investment in "Production of Currugated Carton Boxes and Cement Bags" under the name of "New Asia Industry (Yangon) Private Limited" submitted by New Toyo Corrugated Products Pte Ltd. incorporated in Singapore, as a wholly foreign owned investment. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 2/97 held on 27-11-97 resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 50(Fifty) years. At the end of leased period, New Asia Industry (Yangon) Private Limited shall transfer the land to Mingaladon Industrial Park Co., Ltd. within 3(Three) months in good condition, ground damages having been refilled or repaired.

4. New Asia Industry (Yangon) Private Limited shall pay t[illegible] Land Premium to the amount of US $ 1,649,732.70 (United States Dollars One Million, Six H[illegible] Nine Thousand and Seven Hundred and Thirty Two and Seventy Cents Only) in favou[illegible]aladon Industrial P[illegible]td. in three instalment as follows:-

(a) 10(Ten) percent of the Land Premium amounting to US $ 164,97[illegible]es Dollars One Hundred Sixty Four Thousand Nine Hundred ar[illegible]

Twenty Seven Cents Only) shall be paid to the Mingaladon Industrial Park Co., Ltd. upon signing of the Sub-Lease Agreement.

(b) 50(Fifty) percent of the Land Premium amounting to US $ 824,866.35 (United States Dollars Eight Hundred Twenty Four Thousand Eight Hundred and Sixty Six and Thirty Five Cents Only) shall be paid to the Mingaladon Industrial Park Co., Ltd. failing which Mingaladon Industrial Park Co., Ltd. shall have the right to terminate at its own discretion and the first instalment shall be forfeited.

(c) 40(Forty) percent of the Land Premium amounting to US $ 659,893.08 (United States Dollars Six Hundred Fifty Nine Thousand Eight Hundred and Ninety Three and Eight Cents Only) shall be paid to the Mingaladon Industrial Park Co., Ltd. by the New Asia Industry (Yangon) Private Limited failing which the Mingaladon Industrial Park Co., Ltd. shall have the right to terminated the Sub-Lease Agreement at its own discretion and the first instalment and the second instalment shall be forfeited.

5. New Asia Industry (Yangon) Private Limited shall pay the annual ground rent on yearly basis at the rate of US $ 0.30 (United States Thirty Cent Only) to the amount of US $ 8,998.54 (United States Dollars Eight Thousand Nine Hundred and Ninety Eight and Fifty Four Cent Only) and the Management Fee and Utility Charges to be paid in accordance with the estate condition of the Mingaladon Industrial Park to the Department of Human Settlement and Housing Development. The land rent shall be reviewed every 5(Five) years and the increase of the rent shall not be more than 15(Fifteen) percent of the previous rent.

6. New Asia Industry (Yangon) Private Limited shall provide a security deposit to the amc ·nt of US $ 8,998.54 (United States Dollars Eight Thousand Nine Hundred and Ninety Eight and Fift ·our Cent Only) to the Mingaladon Industrial Park Co., Ltd. on the date of the signing of the Agreem· t.

7. In issuing this "Permit" the Commission has granted the following exemptions and reliefs

(a) As per Section-21(a), exemption from income-tax up to three consecutive years from ·he year of commencement of commercial operation.

(b) As per Section-21(b), regarding exemption from inco·· ·tax on profits of the business if they are maintained in a reserve fund and re-inve· ·rein within one year after the reserve is made, New Asia Industry (Yango ... shall app ·uch exemption only after 3-year tax holiday period.

(c) As per Section-21(c), New Asia Industry (Yangon) Private Limited s· ·o accelerate depreciation in respect of machinery, equipment, build· assets used in the business to the extent of the original value for

tax assessment. However, New Asia Industry (Yangon) Private Limited shall have to apply to the Commission such rates of depreciation.

(d) As per Section-21(e), New Asia Industry (Yangon) Private Limited shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income.

(e) As per Section-21(f), the Commission has also approved the right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(f) As per Section-21(g), regarding the right to deduct from the assessable income such expenses incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, New Asia Industry (Yangon) Private Limited shall apply, upon actual performance of such research and development programme, only after 3-year tax holiday period.

(g) As per Section-21(h), regarding right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, New Asia Industry (Yangon) Private Limited shall file the case, if any, to the Ministry of Finance and Revenue in accordance with Section-4 of the Income Tax Amendment Law, 1991.

(h) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

(i) As per Section-21(j), exemption from customs duty and all other internal taxes or h raw materials and additional import of machinery, equipment and spare parts whicl are actually required for operation of the business shall be granted within three year of commercial operation following the period of construction.

8. New Asia Industry (Yangon) Private Limited shall have to sign Sub-Lease Agreement with Mingaladon Industrial Park Co., Ltd.. After signing such Agreem (5) copies each of those shall have to be forwarded to the Commission.

9. New Asia Industry (Yangon) Private Limited, in consultation with the D Company Administration, Directorate of Investment and Company Administratior registered. After registration, (5) copies each of Certificate of Incorporation a Articles of Association shall have to be forwarded to the Commission.

10. New Asia Industry (Yangon) Private Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

11. The official date of operation shall be reported to the Commission.

12. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. New Asia Industry (Yangon) Private Limited shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

13. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner.

(a) The amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened.

(b) The detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.

14. Whenever New Asia Industry (Yangon) Private Limited brings in foreign capital defined under Section 2(h) of the said Law, other than foreign currency in the manner stated in p[illegible]graph 13(b) mentioned above, the Inspection Certificate endorsed and issued by an interna[illegible]ally recognized Inspection Firm with regard to quantity, quality and price of imported materials sh[illegible]ave to be attached.

15. After all types of foreign capital (foreign currency and other types of foreign capital) [illegible]ave been brought into Myanmar, a report shall have to be submitted to the Commission as prescr[illegible]d, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]

16. New Asia Industry (Yangon) Private Limited shal[illegible] to the C[illegible]ission for any alteration in the physical and financial plan of the p[illegible]tion, over a[illegible] the investment amount pledged in both local and foreign curren[illegible] shall have to be re[illegible] possible.

17. New Asia Industry (Yangon) Private Limited shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

18. New Asia Industry (Yangon) Private Limited shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite the clearance of imports of capital and inter-industry use goods brought in as capital investment and raw materials required during the initial 3-year operation period.

19. Payment of principal and interest of the loan (if any) shall only be made out of the official foreign exchange earnings of New Asia Industry (Yangon) Private Limited.

20. New Asia Industry (Yangon) Private Limited, in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig-Gen Maung Maung
Secretary

Mr. Yen Wen Hwa
New Toyo Corrugated Products Pte Ltd.
c/o Director General
Department of Human Settlement and Housing Development

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Ministry of National Planning and Economi[illegible]
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Construction
8. Ministry of Foreign Affairs

9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour
12. Chairman, Committee for Assisting the Myanmar Investment Commission (Governor, Central Bank of Myanmar)
13. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department)
14. Director General, Directorate of Investment and Company Administration
15. Director General, Customs Department
16. Director General, Internal Revenue Department
17. Managing Director, Myanma Foreign Trade Bank
18. Managing Director, Myanma Investment and Commercial Bank
19. Managing Director, Myanma Insurance
20. Director General, Directorate of Trade
21. Director General, Immigration and Manpower Department
22. Director General, Directorate of Labour
23. Chairman, Union of Myanmar Chamber of Commerce and Industry